

S/023/057



United States Department of the Interior
BUREAU OF LAND MANAGEMENT
FILLMORE FIELD OFFICE
35 East 500 North
Fillmore, Utah 84631



In Reply Refer to:
3800
(U-010)
UTU-070641

January 12, 2004

CERTIFIED MAIL #7002 3150 0004 1699 4438
RETURN RECEIPT REQUESTED

SANDRA AND MIKE SPRUNGER
PO BOX 38054
LEAMINGTON UT 84638

Dear Mr. & Mrs. Sprunger:

Thank you for speaking with us on January 8, 2004, concerning your amended reclamation cost estimate. You expressed concern about the fact that we had calculated the amount for the entire disturbance, instead of the amount you propose to disturb in the future. Reclamation cost estimates (RCE) for notices that existed as of January 20, 2001 must be calculated to include all reclamation for which the operator is liable. Although your Cubicle quarry was opened prior to the establishment of the 43 CFR 3809 regulations, your operations over the past 20 years have redisturbed and expanded the quarry; thus, you must calculate the financial guarantee as though the BLM had to contract with a third party contractor to reclaim the entire disturbance, and include BLM's cost to administer the contract. Therefore, your RCE of \$700 is not acceptable. Enclosed is another RCE that should be adequate to reclaim the entire site, and includes revised administrative fees calculated according to new BLM policy.

Please notify us in writing within 30 days of receipt of this letter if you concur with this RCE. If you have any questions, please feel free to contact Sheri Wysong at (435) 743-3124.

Sincerely,

Glen Nebeker
Acting Field Manager

Enclosure
Reclamation cost Estimate

cc: Tom Munson, UDOGM (S/023/057)
(w/ copy of RCE)

RECEIVED
JAN 15 2004
DIV. OF OIL, GAS & MINING

**Reclamation Cost Model
For Existing Notice Level Operations**

	Acres		Cost/Acre	
Light		Recontouring Cost		\$0.00
Moderate		Recontouring Cost		\$247.50
Heavy		Recontouring Cost		\$0.00
Roads with the side Slope,				
	Linear Feet		Cost/Linear Foot	
<30%		Recontouring Cost		\$0.00
>30%		Recontouring Cost		\$0.00
Areas of non-road disturbance where the use of dozer wouldn't be adequate.				
	Acres		Cost /Acre	
<30%		Recontouring Cost		\$0.00
>30%		Recontouring Cost		\$0.00
Non-Road disturbances with machine spreader				
	Acres		Cost/Acre	
Non-Road disturbances with machine spreader		Revegetation Cost		\$0.00
Non-Road disturbances with manual spreading		Revegetation Cost		\$37.50
Road disturbances with machine spreader				
	Linear Feet		Cost/Linear Foot	
Road disturbances with machine spreader		Revegetation Cost		\$0.00
Road disturbances with manual spreader		Revegetation Cost		\$0.00
Mobilization Cost				
	No. Pieces of equipment		Cost/Piece	
		Mobilization Cost		\$500.00
Total Labor Cost	\$ 339.88	Total Operating and Maintenance (O&M) Cost		\$785.00
		Contractor's Profit	10% O&M Cost	\$78.50
		Estimated Contract		\$863.50
		Contingency	10% O&M Cost	\$78.50
		Total Estimated Contract and Contingency		\$942.00
		Contract Administratio	16% O&M Cost	\$125.60
		Indirect Costs	21% Administrative Cost	\$26.38
		Engineering/Design	2% O&M Cost	\$15.70
		*Insurance	1.5% Labor Cost	\$0.00
		*Bond Maintenance	3% Rec. Cost	\$0.00
* Only Administered if Estimated Contract Costs over \$100,000.				
		Total Administrative Cost		\$167.68
		Bond Amount		\$1,109.68